

**Calculated Higher Education Funding Need and SCHEV Proposed Budget Recommendations**  
(in millions)

Item	HEOA <sup>1</sup>		SCHEV	
	GF	NGF	GF	NGF
Cost of Education <sup>2</sup>	\$202.9	\$175.7	\$44.8	\$41.3
Paragraph C (Fund Share)	\$843.7	(\$784.0)	\$1.8	\$0.0
Per-Student Enrollment-Based Funding	\$15.1	\$0.0	\$15.1	\$0.0
Financial Aid	\$287.7	\$0.0	\$27.0	\$0.0
Economic and Innovation Incentives	-	-	\$20.0	\$0.0
<b>Total<sup>3</sup></b>	<b>\$505.7</b>	<b>\$175.7</b>	<b>\$108.7</b>	<b>\$41.3</b>

Notes:

(1) Amounts are based on commonly used formulas and approaches that support the four-part funding model in the Higher Education Opportunity Act (HEOA). They are not intended to be the sole or definitive means to calculate the totals associated with each element.

(2) HEOA amount includes 100 percent of base adequacy and 60th percentile for faculty salaries. SCHEV amount includes a 2% salary increase, operation and maintenance of new facilities, and base adequacy adjustments for institutions below full funding.

(3) HEOA total excludes Paragraph C amounts to avoid double counting with other items.

SCHEV also recommends funding for the following items in FY2014:

- \$30.6 million additional allocation in Higher Education Equipment Fund with debt service beginning in FY15.
- Reallocation of \$3.8 million and an additional \$154,000 general fund for the Tuition Assistance Grant.
- Reallocation of \$4.4 million general fund for a Retention and Completion Fund.
- \$18.3 million additional allocation for the Maintenance Reserve program.